



# Resolute

## Half Year Results

For the half year ending 31 December 2016

ASX:RSG | [www.rml.com.au](http://www.rml.com.au)

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The information in this report that relates to the Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr Richard Bray who is a Registered Professional Geologist with the Australian Institute of Geoscientists and Mr Andrew Goode, a member of The Australasian Institute of Mining and Metallurgy. Mr Richard Bray and Mr Andrew Goode both have more than 5 years' experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Richard Bray and Mr Andrew Goode are full time employees of Resolute Mining Limited Group and each hold equity securities in the Company. They have consented to the inclusion of the matters in this report based on their information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004. Except where noted, it has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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**Syama  
Gold Mine**

**Bibiani  
Gold Mine**

**Ravenswood  
Gold Mine**



**Resolute**

**Mine Gold. Create Value.**

# HY17: Outstanding Performance

Cash, Bullion &  
Listed Investments

**A\$283M**

(HY16: A\$75M)



**Total Gold Production**

**170,558oz**

(HY16: 153,191oz)

**All-In Sustaining Cost**

**A\$999/oz**

(HY16: A\$1,247/oz)

**Gross Profit**

**A\$69M**

(HY16: A\$62M)

**Gold Shipped**

**164,826oz**

(HY16: 158,489oz)

# HY17: Highlights



## Financial Performance

<b>A\$64M</b>	HY17 net profit after tax
<b>A\$168M</b>	Revenue from gold and silver sales
<b>A\$69M</b>	Gross profit from operations
<b>19%</b>	Return on equity
<b>7.8c</b>	Diluted earnings per share



## Operating Performance

<b>170,558oz</b>	Total gold production for HY17
<b>94,080oz</b>	Total gold sold for HY17
<b>A\$1,784/oz</b>	Average price received for gold sold ( <b>US\$1,352/oz</b> )
<b>A\$999/oz</b>	All-In Sustaining Cost ( <b>US\$753/oz</b> )



## Balance Sheet

<b>A\$283M</b>	Total Cash, bullion and listed investments at market value
<b>A\$269M</b>	Net Cash, bullion and listed investments/(debt)
<b>83,379oz</b>	Bullion on hand
<b>A\$65M</b>	Net increase in total Cash Flows



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# Resolute: A Gold Company

- Resolute actively manages the Company's treasury exposure to AUD, USD, EUR, and gold bullion
- Resolute treats gold bullion as an alternative currency
- Holding surplus liquid assets in a variety of currencies/forms maintains and enhances shareholder exposure to the value of gold
- Gold bullion accumulated during the period of 70,746oz has not been recognised in the sales revenue, profit, and operating cash flow figures reported in the half year results
- The value of the 83,379oz of gold held as at 31 December 2016 is reported in the balance sheet at historical cost of production



# HY17: Potential Earnings & Cash Flow from accumulated gold bullion



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Effect on earnings and cash flow assuming the gold bullion accumulated during the half year (70,746oz) had been sold at the period end spot gold price (A\$1,592/oz)<sup>1</sup>:

	HY17 Accounts	Assuming gold sold at period end <sup>1</sup>	Difference +/(-) <sup>1</sup>
	A\$'000	A\$'000	A\$'000
Revenue from continuing operations	168,167	<b>280,809</b>	112,642
EBITDA	73,501	<b>106,662</b>	33,161
Gross profit from operations	69,366	<b>102,527</b>	33,161
Profit for the period	64,265	<b>97,426</b>	33,161
Net cash flows from operating activities	(21,026)	<b>85,239</b>	106,265



<sup>1</sup> Unaudited and notional information.

# HY17: Strong Foundation for Growth



## Balance sheet strengthened

Strong free cash flow generation



## Exploration Success

Nafolo discovery at Syama



## Development commenced

Syama Underground and Ravenswood Expansion Project

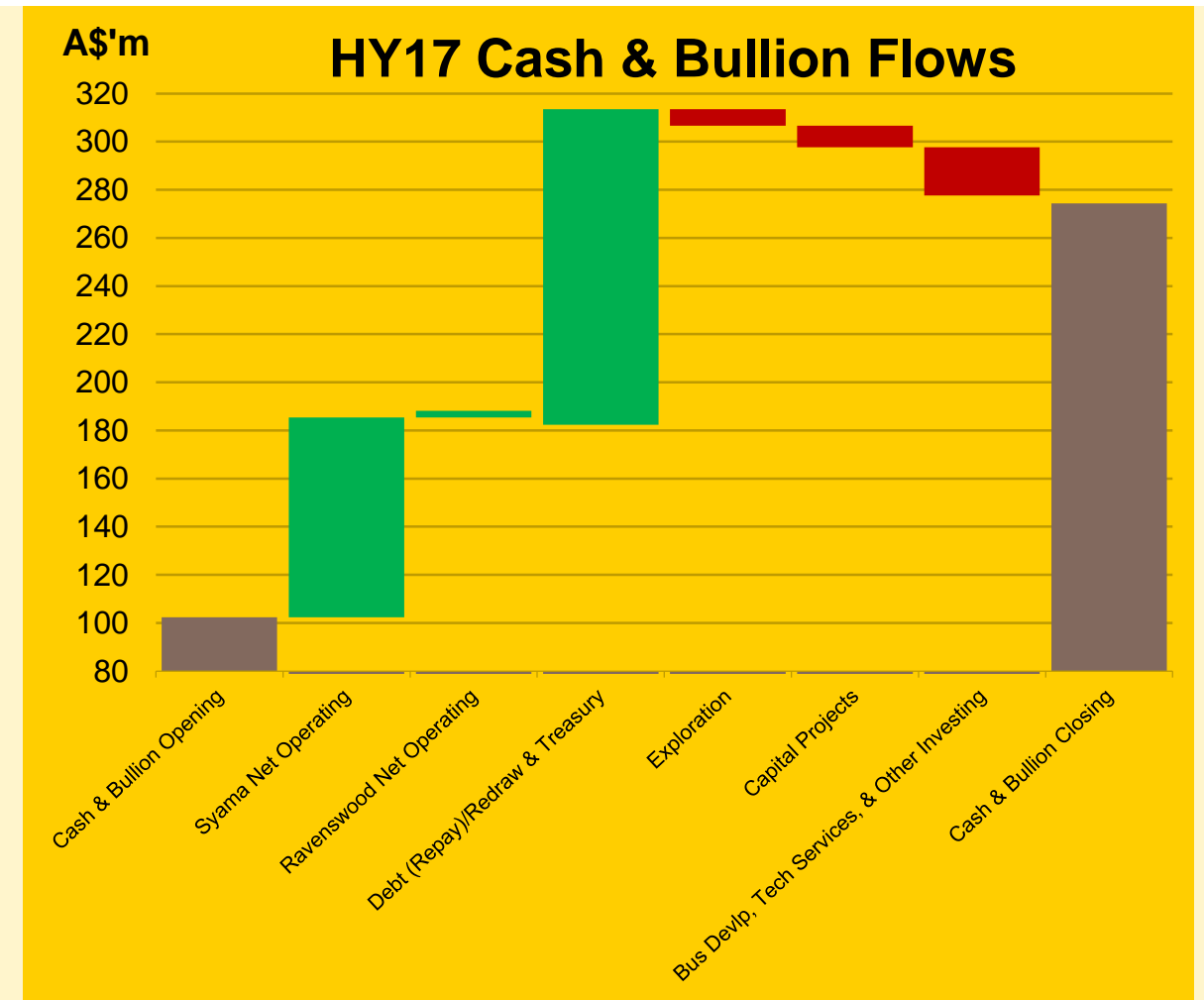
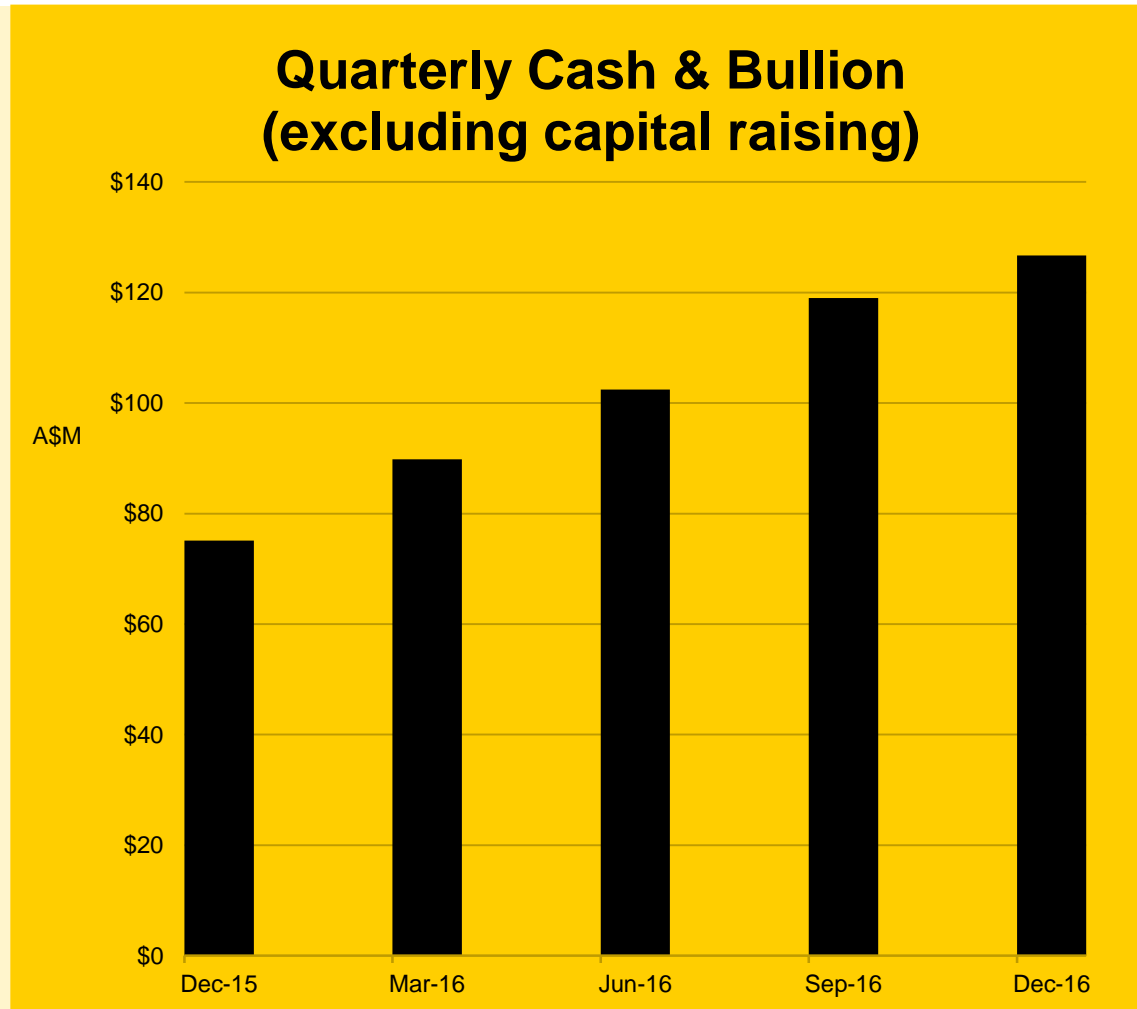


## Robust Cash, Bullion & Listed Investments

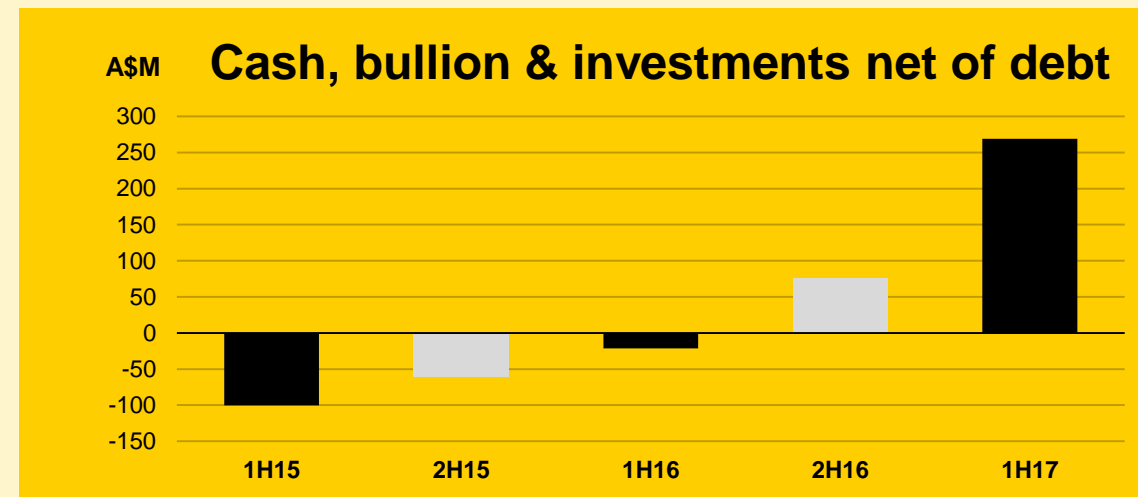
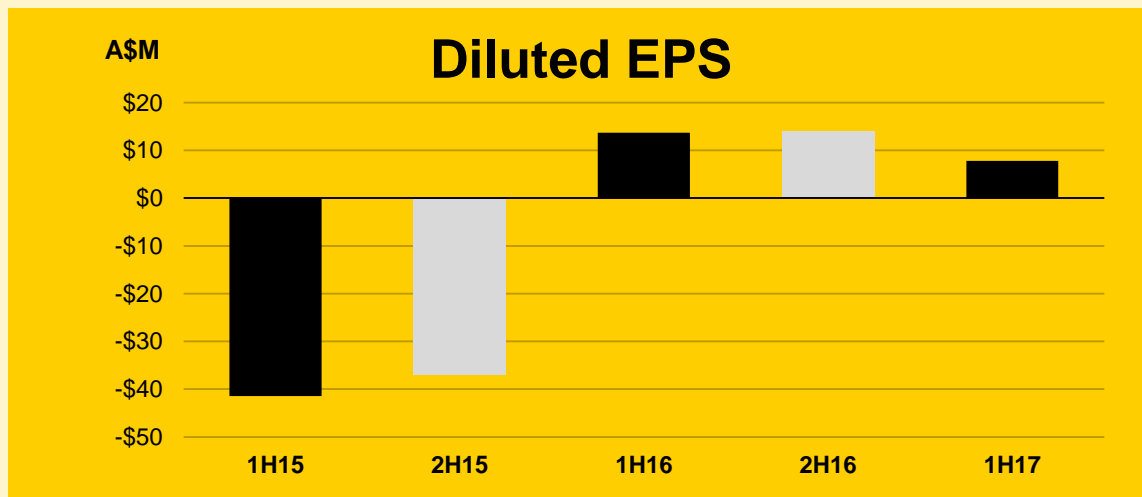
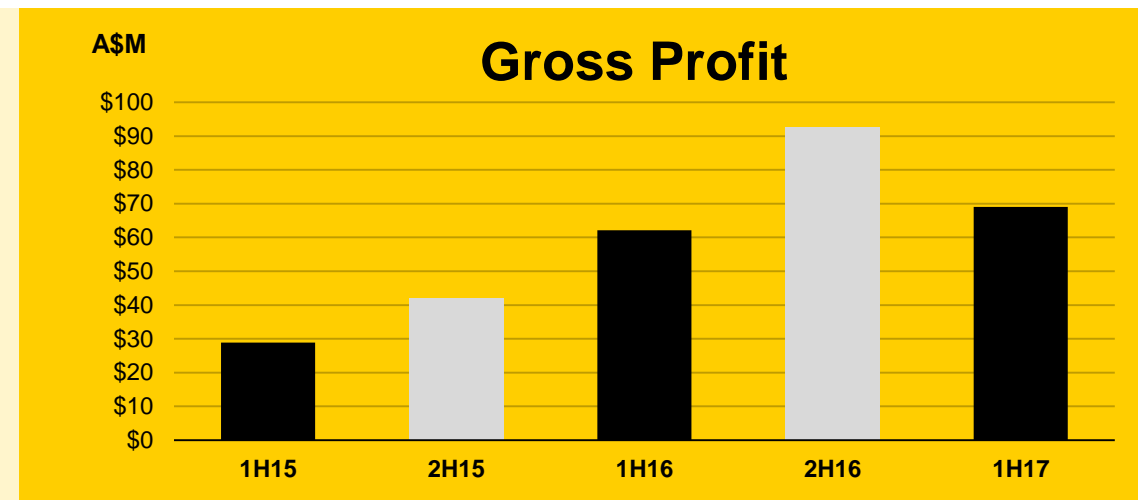
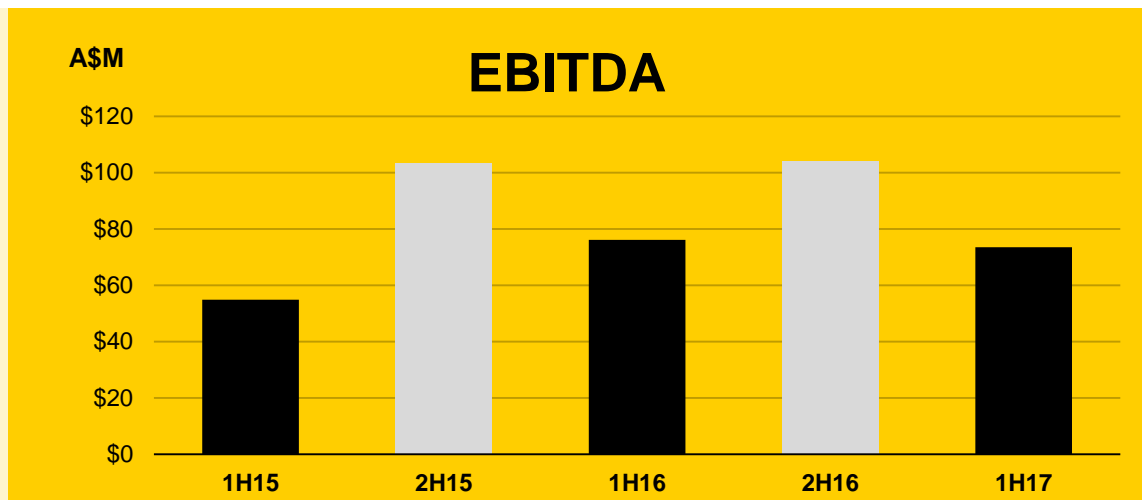
A\$283M



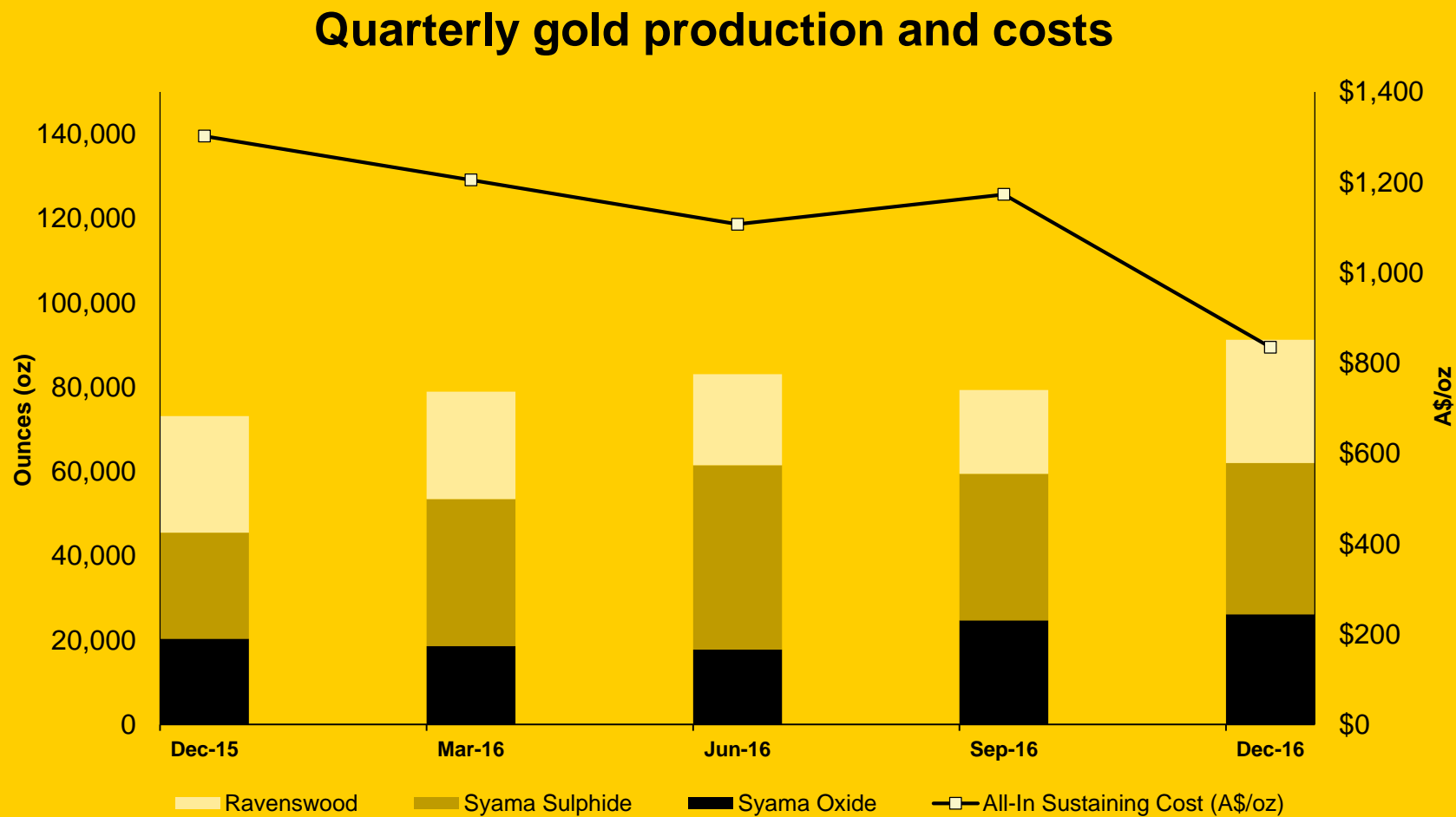
# HY17: Strong Cash Flow



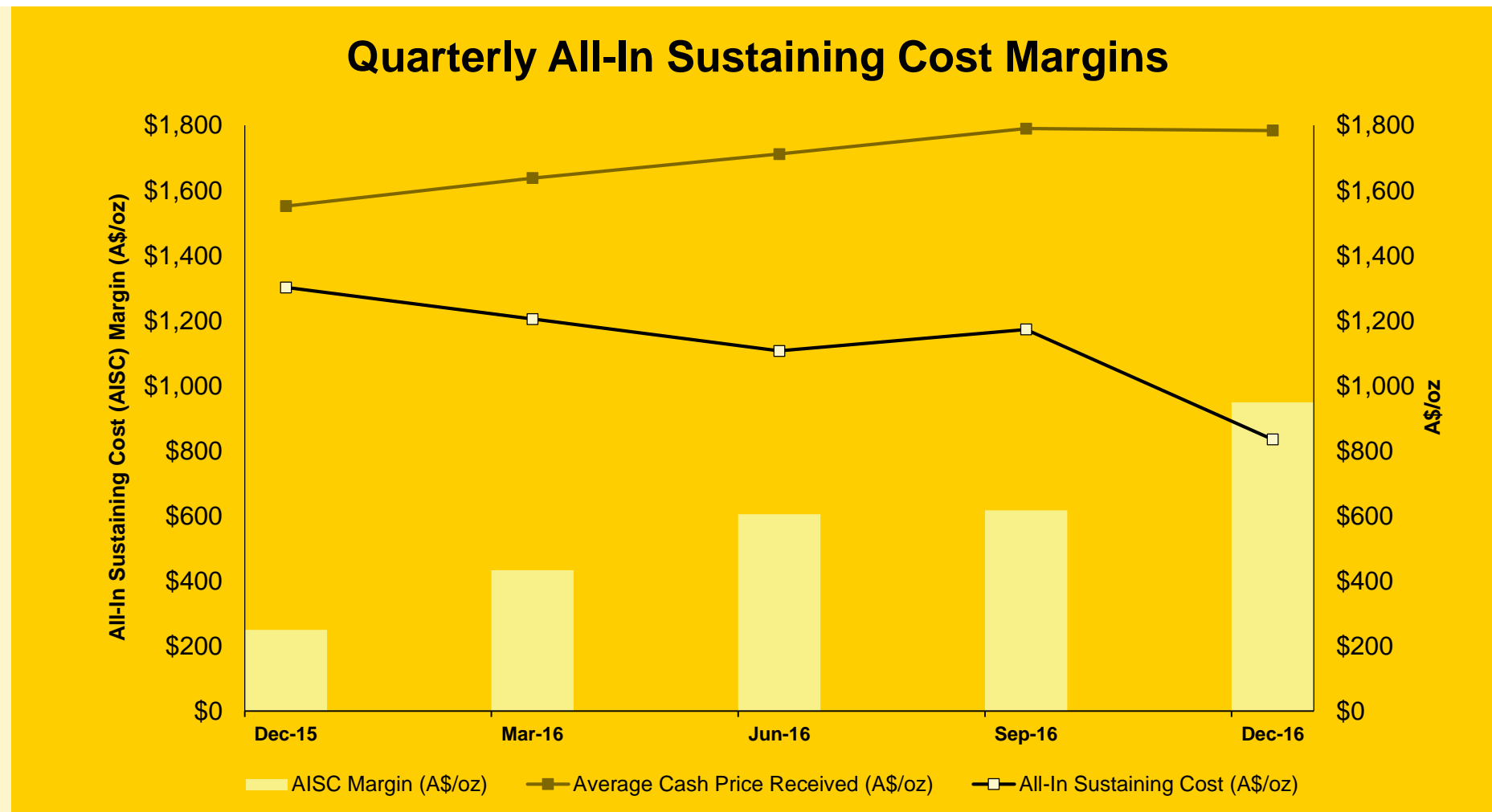
# Half Year Financial Performance



# Production Up, Costs Down



# All-In Sustaining Cost Margins



# HY17: Production and Costs

## Syama Gold Mine



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	Syama Sulphide Operations					
	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	AISC A\$/oz
Dec Quarter 2016	803,923	527,539	2.91	72.8	35,850	705
Sep Quarter 2016	44,318	520,363	2.83	73.4	34,729	1,048
<b>HY17 Total</b>	<b>848,241</b>	<b>1,047,902</b>	<b>2.87</b>	<b>73.1</b>	<b>70,579</b>	<b>874</b>

	Syama Oxide Operations					
	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	AISC A\$/oz
Dec Quarter 2016	300,179	307,451	3.54	74.8	26,151	468
Sep Quarter 2016	477,036	331,149	2.85	81.4	24,704	983
<b>HY17 Total</b>	<b>777,215</b>	<b>638,600</b>	<b>3.18</b>	<b>77.9</b>	<b>50,855</b>	<b>718</b>

# Development Highlights: Syama Gold Mine



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- Underground mining has commenced at the Syama Sublevel Cave Mine
- First development ore expected in 1<sup>st</sup> Half of CY17
- First production ore expected in 2<sup>nd</sup> Half of CY18
- Automated drilling and longer rounds delivering rapid underground development



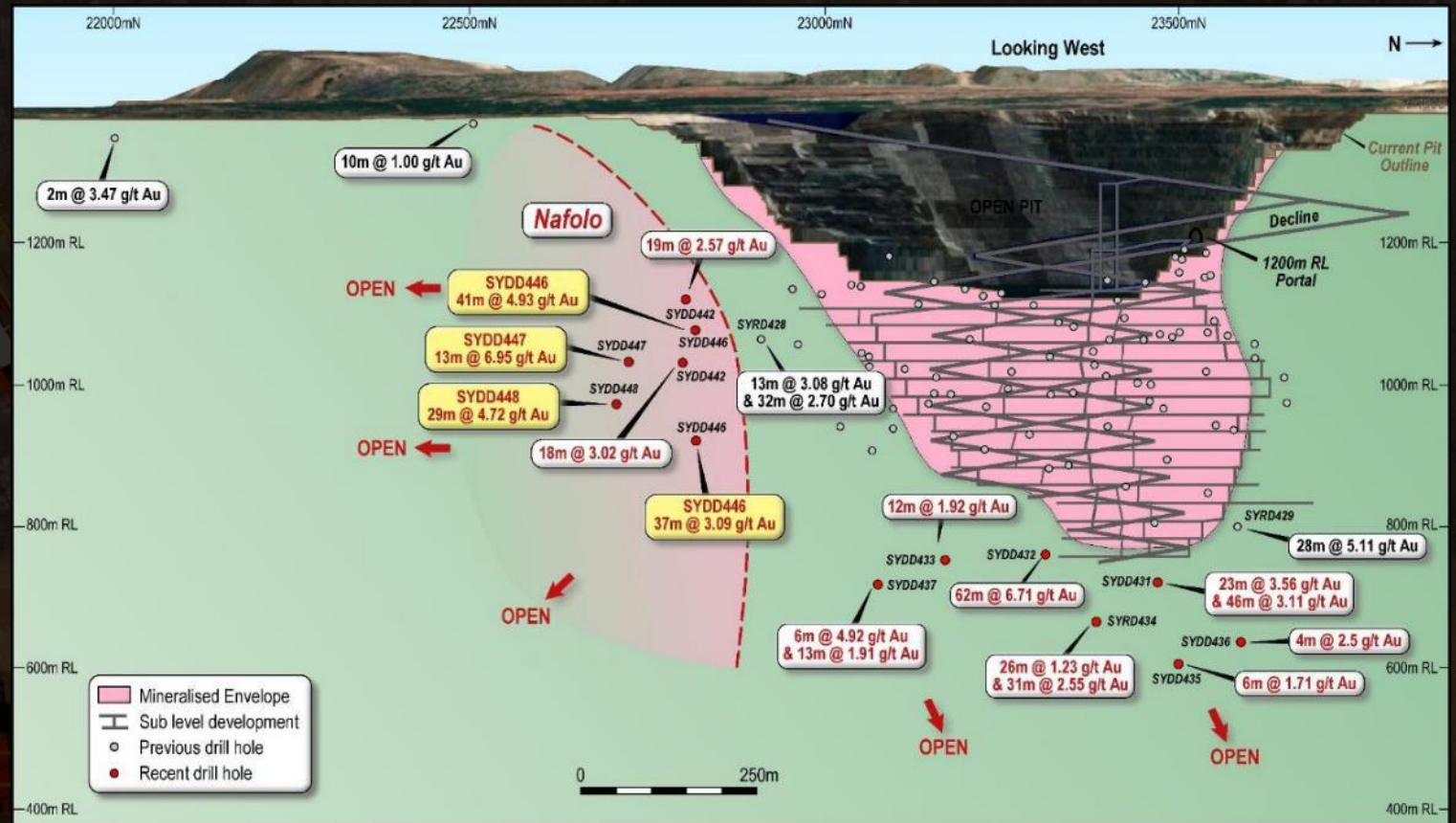
# Exploration Highlights: Syama Gold Mine



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## Exploration Success: Nafolo Discovery

- Adjacent to 8Moz Syama Deposit
- Untested along strike and at depth
- Potential to transform Syama operation
- Located 250m south of the current underground design



# HY17: Production and Costs

## Ravenswood Gold Mine



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	Ravenswood Operations					
	Ore Mined (t)	Ore Milled (t)	Head Grade (g/t)	Recovery (%)	Total Production (Gold oz)	AISC A\$/oz
Dec Quarter 2016	656,695	549,129	1.77	93.6	29,223	1,276
Sep Quarter 2016	296,330	416,011	1.58	94.6	19,901	1,508
<b>HY17 Total</b>	<b>953,025</b>	<b>965,140</b>	<b>1.69</b>	<b>93.8</b>	<b>49,124</b>	<b>1,370</b>

- Successful transition to open pit mining during the Dec Quarter 2016
- Mill throughput capacity has been increased from 1.5 to 2.8Mtpa and will ultimately return to nameplate capacity of 5.0Mtpa
- Queensland government granted 'Prescribed Project' status in Dec 2016
- Mt Wright continues to perform well as the underground mine approaches closure over the coming quarters



# Development Highlights: Ravenswood Gold Mine

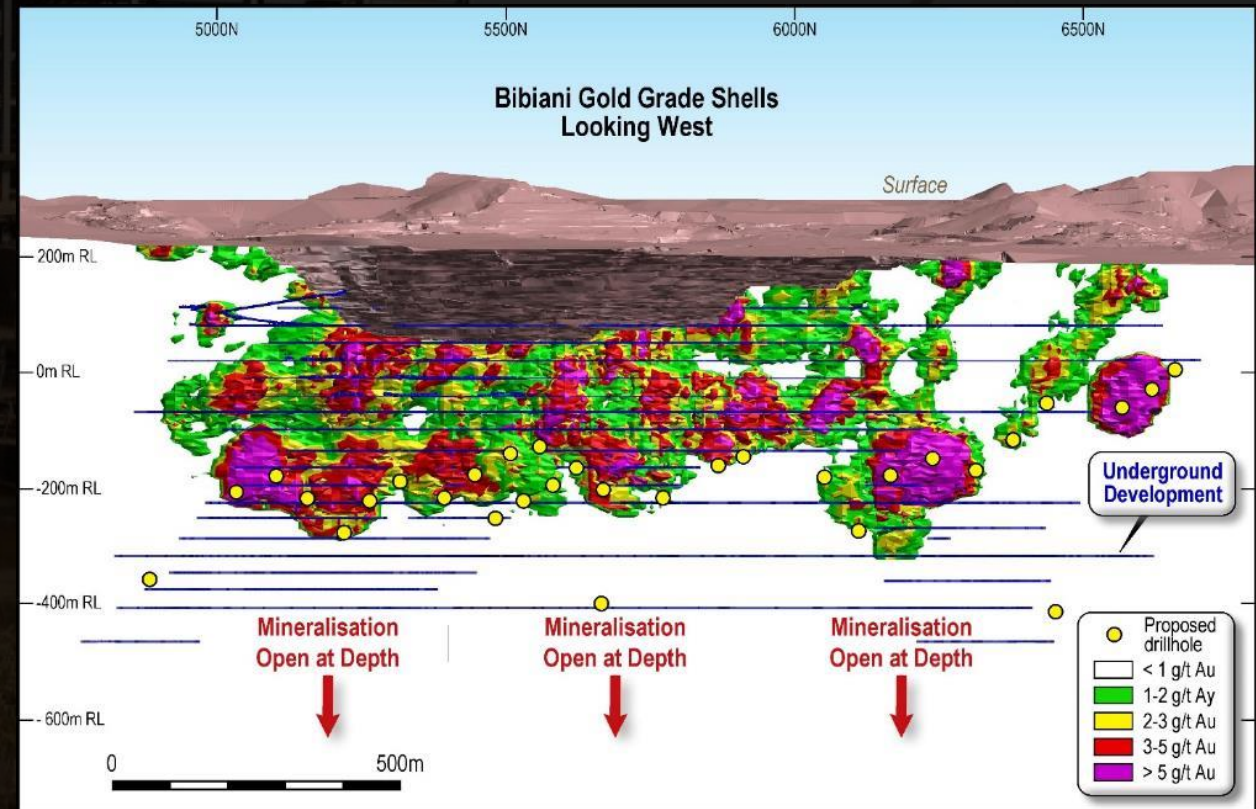


- Ravenswood Expansion Project extends mine-life until at least 2029
- Open pit mining has commenced at Nolans East
- Staged development plan includes Buck Reef West and Sarsfield pits
- Total annual production to increase to 140,000ozpa
- Life of Mine All-In Sustaining Cost of A\$1,166/oz (US\$880/oz)



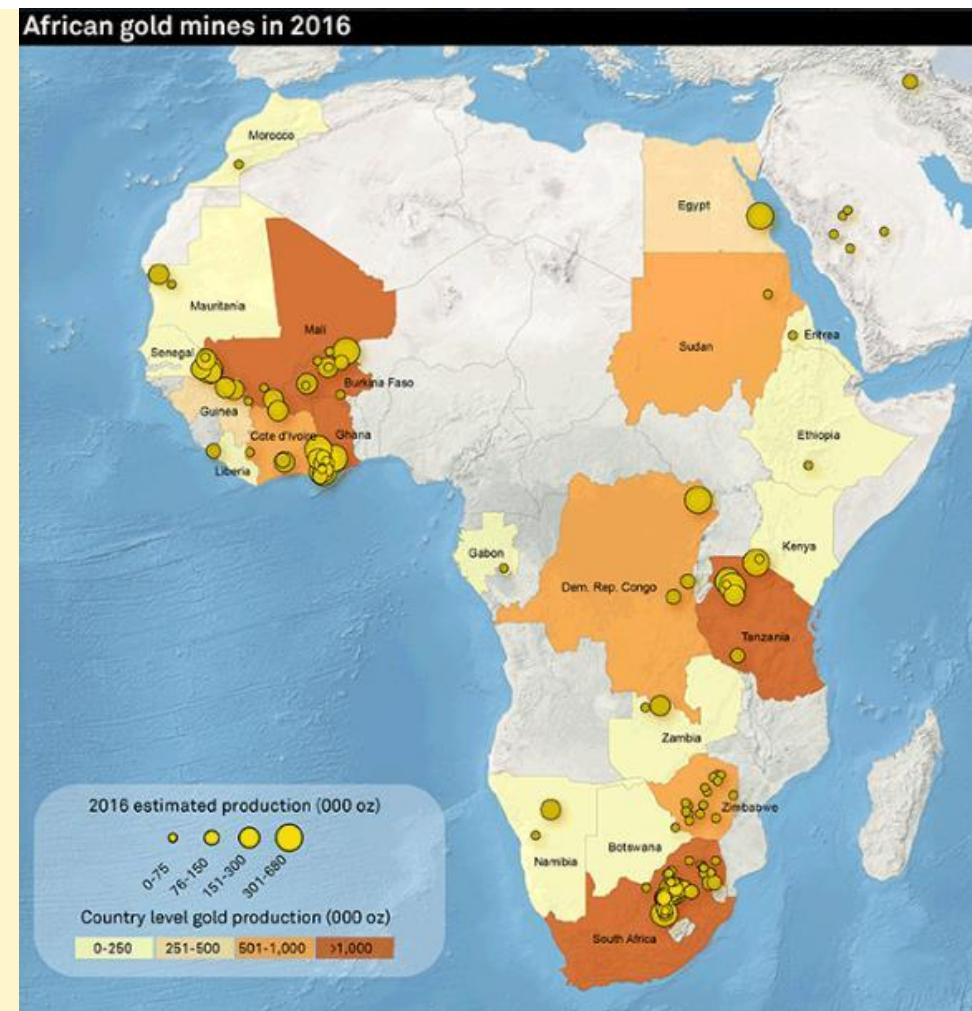
# Development Highlights: Bibiani Gold Mine

- 2<sup>nd</sup> phase of drilling commenced at Bibiani in the Dec Quarter 2016
- Aiming to extend mine life beyond the current five years
- Drilling to upgrade inferred resources of 4.5Mt @ 4.1g/t Au
- Aiming to identify new areas of mineralisation at depth
- Targeting 100kozpa, 10 year mine life, 25% IRR



# Resolute's focus on growth

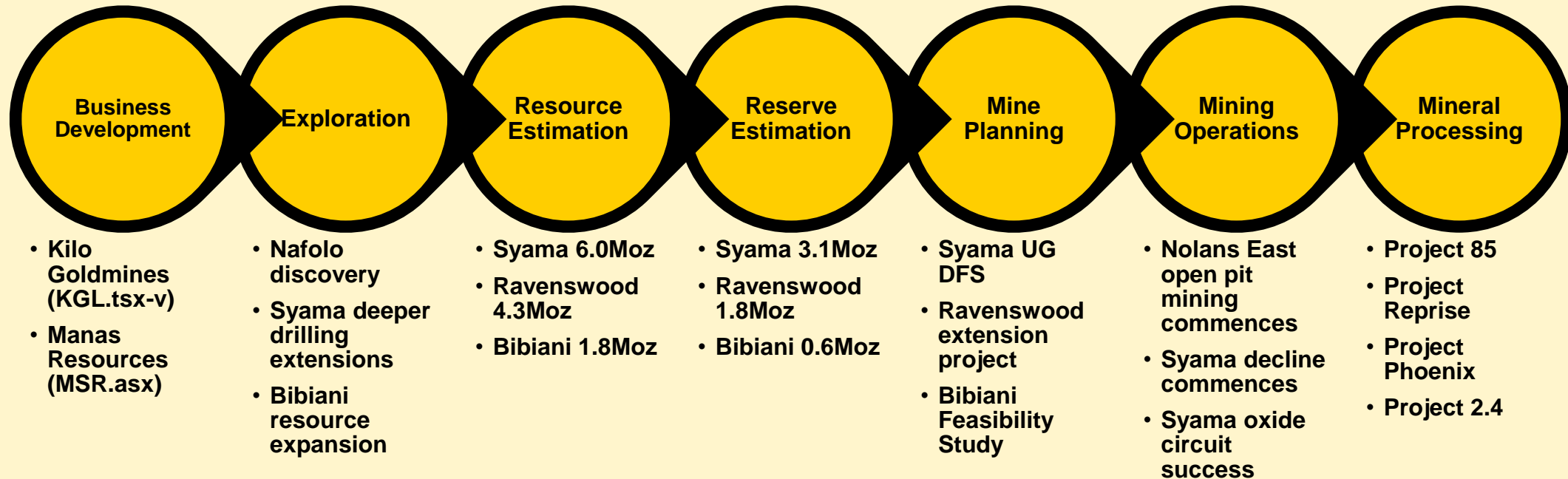
- Recent investments in Kilo Goldmines (KGL.tsx-v) and Manas Resources (MSR.asx)
- Exposure to prospective tenure in Tanzania and Democratic Republic of Congo (DRC)
- Backing good teams in the right locations
- Continuing to look for strategic partnerships with explorers with prospective ground holdings across Africa



# Continuing improvement across the business



**Resolute**



# Mine Gold. Create Value.



Prioritising  sustainable dividends\*

Diversifying our  production base



**Reducing**  
All-In Sustaining  
Costs (AISC)  
through **innovation**



Ambition to be producing  
> **450kozpa**  
from 3 operations by 2020

\* Dividends to be paid on the full year result will not be impacted by the treasury decision to hold additional gold bullion. Dividends for the y/e 30 June 2017 will be based on gold sales revenue +/- movements in gold bullion on hand.

# Invest in Resolute

- Strong Balance Sheet and ongoing operational cash flow generation
- New Executive Team leading cultural and performance transformation
- Exciting new discovery at Nafolo
- Large long life mines
- Organic production growth to >450kozpa
  - Syama Underground Mine – 12 years producing up to 250,000ozpa @ AISC of US\$881/oz
  - Ravenswood Expansion Project – 13 years producing up to 140,000ozpa @ AISC of US\$880/oz
  - Bibiani Gold Project – aiming for 10+ years mine life to produce >100,000ozpa @ AISC of US\$858/oz
- Further growth through exploration
- Focus on shareholder returns

## **Global.Gold.Growth.**



# Resolute



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